



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
LANSING

KEITH W. COOLEY  
DIRECTOR

**Analysis of House Bills 4770-2 (As Passed House)**

**Topic:** Interior Design Licensure  
**Sponsor:** Representatives Meisner and Huizenga  
**Co-Sponsors:** Representatives Vagnozzi, Coulouris, Johnson, Gonzales, Polidori, Cushingberry, Robert Jones, Valentine, Meadows, Gillard, Leland, Spade, Meekhof, Nitz, Marleu, Meltzer, Emmons, Stahl, Steil, Pearce, Stakoe, and Rick Jones  
**Committee:** House Commerce

**Date Introduced:** May 16, 2007

**Date Enrolled:**

**Date of Analysis:** October 10, 2007

**Position:** The Department of Labor & Economic Growth supports the bills.

**Problem/Background:** The United States Department of Labor describes interior design as a profession that draws upon “many disciplines to enhance the function, safety, and aesthetics of interior spaces”. Like other design professionals, interior designer “must be able to read blueprints, understand building and fire codes, and know how to make the space accessible to the disabled”. Submission of plans for interior spaces by interior designers is an important part of their work. Unfortunately, their documents have not always been accepted by local building officials. Michigan has adopted the International Building Code and the International Residential Code. These codes require plans to be submitted by “registered design professionals”, and interior designers are not registered or licensed in Michigan. An effort to address the problem in 1998 by creating a list of interior designers and allowing the use of a seal by listed persons on interior design documents has had mixed success. Some code officials accept documents from interior designers and others reportedly do not. This has added costs and delays to projects while an architect is found to redraw the documents and seal them with his or her seal.

**Description of Bill:** House Bill 4772 amends the Occupational Code to provide for licensure of individuals providing interior design services. “Interior design services” is defined in the bill as services in connection with design of interior spaces. This includes the preparation of design documents relative to finishes, systems furniture, furnishings, fixtures, equipment, lighting outlets and switching, and non-load-bearing interior partitions that do not materially affect the building mechanical, structural, electrical, or fire safety systems. “Materially affect” is a key term in the bill and is defined as activity that is either or both of the following:

- Has a substantial and negative impact on the health, safety, and welfare of the occupants of the interior space.

- Is incompatible with the applicable building or fire safety code to such a degree that more than a minor modification of the document is needed to correct that incompatibility.

A Board of Interior Design is created in the Department of Labor & Economic Growth.

The bill contains several exemptions from the licensure requirement so long as the individuals do not hold themselves out to be a licensed interior designer. These include:

- A person licensed under another regulated or licensed occupation or profession who is providing services that are within the scope of that occupation or profession.
- An owner or employee of a retail establishment providing services on the premises of the establishment or in furtherance of a retail sale.
- A person engaging in interior design services on property owned or leased by that person.
- A person engaging in interior design services without compensation on another person's property.
- A person providing interior design services for residential purposes.
- An individual engaging in interior design services without a licensure but under the supervision of a licensee for the purpose of obtaining required experience.

Licenses will be issued for a term of 3 years. During the first year after the amendatory act, an individual is considered qualified for a license if he or she submits, by affidavit, proof of 6 years of combined education and experience in providing interior design services. At least 2 of those 6 years are required to be practical experience. A person on the list compiled under former Section 601a is eligible for a license if he or she applies within 1 year. All other applicants must pass the most current examination offered by the National Council for Interior Design Qualification or another examination considered by the board to be equivalent. Reciprocity is provided to licensees from outside Michigan if the jurisdiction has substantially similar requirements and allows reciprocity for Michigan licensees.

The department is required to establish standards of conduct for licensed interior designers in consultation with the board.

A demonstration of continued competence is required for renewal of a license.

A licensed individual would be required to obtain and use a seal.

Prohibited activity subject to penalties under the Occupational Code includes:

- Presenting or attempting to use, as the person's own, the license or seal of another.
- Use of a protected term without being licensed.
- Submitting to a public official for approval an unsealed permit or a plan, report, or specification for filing as a public record.

Section 601a of the Occupational Code, the current interior designer list, is repealed.

House Bill 4471 provides fees for interior designers seeking licensure. These fees include a \$50 application processing fee and a \$70 annual fee, or \$210 in each license cycle.

House Bill 4470 amends the Stille-DeRossett-Hale Single State Construction Code Act to incorporate language currently in department rules relating to sealing of documents by a registered design professional. The language specifically permits interior design documents to be prepared by an interior designer.

The bills are tie-barred.

## Summary of Arguments

**Pro:** Interior designers are important partners in the design team. Interior design services extend beyond the selection of furnishing and the choosing of colors. In commercial, office, and industrial workplaces the interior designer must ensure that the facility meets applicable building and safety codes; barrier-free design requirements for furnishings, equipment, fixtures, and non-loadbearing partitions within the building; and flammability protection for fabrics and wall coverings. Licensing interior designers will provide additional public protection by ensuring broader adherence to established standards. The public will be assured of a minimum level of competence in the field.

Interior design education in Michigan is top notch, and many extremely competent individuals graduate from these programs each year. Unfortunately, Michigan's current laws do not promote independent practice by interior designers. As a result, many new graduates are looking for jobs in other states rather than remaining in Michigan.

Architects and interior designers have been debating the need for regulation of the interior design profession for many years. As a profession, interior design has its own set of educational requirements and skills, knowledge, and abilities that are quite distinct from architecture. Although interior designers and architects share many courses, interior designers also take many other courses.

**Con:** A compelling case has not been made for regulation of interior designers. The potential for great harm to the public from improper practice has not been demonstrated in the case of interior design. The failure of some building officials to accept interior design documents sealed by an interior designer is not a serious threat to the public health, safety, and welfare. Furthermore, there are other means available to solve the document problem.

Licensure will limit access to the interior design profession. A recent *Detroit News* editorial cites a Manistee resident who has run an interior design business in Manistee for 10 years. Because this person has only a two-year degree and has not passed the national examination, she will not be able to qualify for licensure.

*Response: The bill contains a list of exceptions to the requirement for licensure. The only harm that these bills will likely cause to her business is that she will not be able to call herself an interior designer. Others in the business of kitchen and bath remodeling in Michigan have indicated support for these bills.*

## Fiscal/Economic Impact

(a) Department

**Budgetary:** The Bureau of Commercial Services anticipates costs exceeding \$200,000 annually to administer an interior design licensure program.

**Revenue:** The House increased the annual license fee by \$20 from the original proposal and this is expected to result in revenues exceeding expenditures.

**Comments:** It is difficult estimating the budget impact of new licensure programs, because we are never certain how many individuals will be licensed.

**(b) State**

**Budgetary:** There is no direct impact on the state budget.

**Revenue:** The bills will have no direct impact on state revenues.

**Comments:**

**(c) Local Government**

**Comments:** There is no local government impact.

**Other State Departments:** No other state departments will be affected.

**Any Other Pertinent Information:** Similar bills have been introduced in past sessions.

**Administrative Rules Impact:** Administrative rules will be needed to implement the program.